



**Auditor's Report On Quarterly Financial Results and Year to Date
Results of the Company
Pursuant to the Clause 41 of the listing Agreement**

To
Board of Directors of LOTUS EYE HOSPITAL AND INSTITUTE LIMITED,
COIMBATORE.

We have audited the quarterly financial results of LOTUS EYE HOSPITAL AND INSTITUTE LIMITED (Formerly known as Lotus Eye Care Hospital Limited) for the quarter ended 31.03.2014 and the year to date results for the period 01.04.2013 to 31.03.2014, attached herewith, being submitted by the company pursuant to the requirement of clause 41 of the Listing Agreement except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, issued pursuant to the Companies (Accounting Standards) Rules, 2006 as per Section 211(3C) of the Companies Act, 1956 or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.



CA. M.P. PANNEERSELVAN B.Sc., FCA.,
PARTNER

V E K A M AND ASSOCIATES
CHARTERED ACCOUNTANTS



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In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:

(i) are presented in accordance with the requirements of clause 41 of the Listing Agreement in this regard; and

(ii) give a true and fair view of the net loss for the quarter ended 31.03.2014 and net profit for the year to date results for the period from 01.04.2013 to 31.03.2014.

Further, we also report that we have, on the basis of the books of account and other records and information and explanations given to us by the management, also verified the number of shares as well as percentage of shareholdings in respect of aggregate amount of public shareholdings, as furnished by the company in terms of clause 35 of the Listing Agreement and found the same to be correct.

For V E K A M AND ASSOCIATES
Firm registration No.05256S
Chartered Accountants



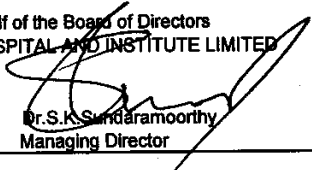
M.P.Panneerselvan
Partner
Membership No.026129

Place : Coimbatore
Date : 24.05.2014

LOTUS EYE HOSPITAL AND INSTITUTE LIMITED
770/12, AVINASHI ROAD, CIVIL AERODROME POST, COIMBATORE - 641 014
AUDITED FINANCIAL RESULTS FOR THE PERIOD ENDED 31ST MARCH, 2014

Rs. In Lacs

SI No	Particulars	Quarter ended			Year ended	
		31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
		Audited	Unaudited	Audited	Audited	Audited
1	Income from Operations					
(a)	Net Sales/Income from operations (net of excise duty)	687.29	709.41	683.77	2869.45	2910.84
(b)	Other operating Income	0.00	0.00	3.75	0.00	29.15
	Total Income from operations (net)	687.29	709.41	687.52	2869.45	2939.99
2	Expenses					
	A. Cost of Material consumed	62.96	41.47	67.27	265.72	348.54
	B. Purchase of stock in trade	101.23	122.85	126.69	521.48	559.39
	C. Changes in inventories of Stock in trade	37.73	15.31	(34.88)	9.68	(59.49)
	D. Employee Benefit and Service Expenses	275.53	295.69	287.18	1144.77	1142.94
	E. Depreciation and amortisation	101.92	86.69	80.89	353.71	373.20
	F. Other Expenditure	169.93	151.07	174.03	602.21	562.87
	Total Expenses	749.30	713.08	701.18	2897.57	2927.45
3	Profit/(Loss) from operations before other income, finance cost and exceptional items (1-2)	(62.01)	(3.67)	(13.66)	(28.12)	12.54
4	Other income	12.38	9.41	2.03	39.06	34.65
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(49.63)	5.74	(11.63)	10.94	47.19
6	Finance cost	0.20	0.20	0.35	0.96	1.75
7	Profit/(Loss) from ordinary activities after finance costs and before exceptional items (5-6)	(49.83)	5.54	(11.98)	9.98	45.44
8	Exceptional Items	-	-	-	-	-
9	Profit / (Loss) from ordinary Activities before Tax (7+/- 8)	(49.83)	5.54	(11.98)	9.98	45.44
10	Tax Expenses	(4.27)	1.19	(4.34)	6.08	3.94
11	Net Profit / (Loss) from ordinary Activities after Tax (9+/-10)	(45.56)	4.35	(7.64)	3.90	41.50
12	Extra Ordinary Items	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	(45.56)	4.35	(7.64)	3.90	41.50
14	Share of profit/(loss) of associates	-	-	-	-	-
15	Minority Interest	-	-	-	-	-
16	Net Profit / (Loss) after taxes, Minority interest and share of profit/(loss) of associates (13-14-15)	(45.56)	4.35	(7.64)	3.90	41.50
17	Paid-up equity share capital (face value of Rs. 10 each)	2079.63	2079.63	2079.63	2079.63	2079.63
18	Reserves excluding revaluation reserves	-	-	-	3056.85	3052.95
9 (i)	Earnings per Share (Rs) before Extraordinary Items	(0.22)	0.02	(0.04)	0.02	0.20
9 (ii)	Earnings per Share (Rs) after Extraordinary Items	(0.22)	0.02	(0.04)	0.02	0.20
A	Particulars of Shareholding					
1	Public Shareholding					
	- Number of shares	9753610	9800390	9810084	9753610	9810084
	- Percentage of shareholding	46.90	47.13	47.17	46.90	47.17
2	Promoters and promoters group shareholding					
a)	Pledged/Encumbered	Nil	Nil	Nil	Nil	Nil
	- Number of shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total sharecapital of the Company)	Nil	Nil	Nil	Nil	Nil
b)	Non Encumbered					
	- Number of shares	11042720	10995940	10986246	11042720	10986246
	- Percentage of shares (as a % of the total shareholding of the promoter and promoter group)	100	100	100	100	100
	- Percentage of shares (as a % of the total share capital of the Company)	53.10	52.87	52.83	53.10	52.83
B	INVESTOR COMPLAINTS					
	i) Pending at the beginning and end of the quarter - Nil					
	ii) Complaints received and resolved during the quarter - Nil					

Particulars	31.03.2014	31.03.2013
	Audited	Audited
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	2079.63	2079.63
(b) Reserves and Surplus	3056.85	3052.96
(c) Money received against sharewarrants		
Sub - Total - Shareholders' funds	5136.48	5132.59
2 Share application money pending allotment		
3 Minority Interest		
4 Non - Current Liabilities		
(a) Long - term borrowings	4.59	11.45
(b) Deferred tax liabilities (Net)	21.15	16.98
(c) Other long term liabilities		
(d) Long term provisions	20.02	14.82
Sub - Total Non - Current Liabilities	45.76	43.25
5 Current Liabilities		
(a) Short - term borrowings		
(b) Trade payables	539.32	373.96
(c) Other Current Liabilities	105.86	108.72
(d) Short- term provisions	27.98	31.03
Sub - Total - Current liabilities	673.16	513.71
TOTAL EQUITY AND LIABILITIES	5855.40	5689.55
B ASSETS		
1 Non - Current assets		
(a) Fixed assets		
(i) Tangible assets	4686.96	4518.88
(ii) intangible assets	7.12	11.72
(iii) Capital Work in progress	36.28	18.01
(b) Goodwill on consolidation		
(c) Non - Current investments	0	0
(d) Deferred tax assets (net)		
(e) Long term loans and advances	463.46	389.33
(f) Other non - current assets	0	2.65
Sub - Total Non - Current Assets	5193.82	4940.59
2 Current assets		
(a) Current investments		
(b) Inventories	363.72	314.93
(c) Trade Receivables	39.42	30.93
(d) Cash and Cash equivalents	92.00	232.72
(e) Short term loans and advances	166.44	170.38
(f) Other current assets		
Sub - Total - Current Assets	661.58	748.96
TOTAL ASSETS	5855.40	5689.55
Notes:		
1 The above results reviewed by the Audit Committee were approved by the Board of Directors at their meeting held on 24.05.2014.		
2 Figures of the previous period have been re-grouped and reclassified wherever necessary		
3 The Company is engaged Eye Care Services. Accordingly there are no separate reportable segments as per AS - 17 on Segment Reporting		
4 The company has mobilized Rs.38/- crores including share premium of Rs.28/-crores and hitherto a sum of Rs.38.35 crores has been deployed towards the projects. The sum of Rs.38.35 crores includes overrun in the public issue expenses is around Rs.1.20 crores and Rs. 6.47 crores has been used towards the partial repayment of term loan from the bank obtained as part of means of finance of the projects.		
5 .Unutilized IPO funds of Rs.0.35 crores includes interest accrued kept in Deposit Account and Current Account with Indian Overseas Bank, Ganapathy Branch, Coimbatore.		
For and on behalf of the Board of Directors LOTUS EYE HOSPITAL AND INSTITUTE LIMITED		
Coimbatore 24.05.2014	 Dr. S.K. Sundaramoorthy Managing Director	